



**WORK SESSION of the Greenbelt City Council**

**Held Monday, July 24, 2000**

**For the purpose of meeting with a representative of the Maryland Public Service Commission regarding electricity aggregation**

Mayor Davis started the meeting at 8:05 p.m. It was held in the Municipal Building.

PRESENT WERE: Council members Edward V. J. Putens, Rodney M. Roberts, Alan Turnbull, Thomas X. White, and Mayor Judith F. Davis.

STAFF PRESENT WERE: David E. Moran, Assistant to the City Manager; Jeff Williams, City Treasurer and Acting City Manager; and Kathleen Gallagher, City Clerk.

ALSO PRESENT WERE: Gunter Elert, Regulatory Economist, Maryland Public Service Commission; Sheldon Goldberg, Greenbelt East Advisory Coalition; Jim Cassels, Greenbelt Coop; Joyce Abell, Greenbelt Homes, Inc.; Jean Cook and Ron Ott, Boxwood Civic Association; Joe Wilkinson and Leonie Penney, Woodland Hills Civic Association; Mary Moien, the Greenbelt News Review; and Amy Boyes, the Gazette.

Mr. Elert attended the work session on behalf of the Maryland Public Service Commission to talk with Council about what is involved with becoming an aggregator. He said the ongoing tie is between the customer and the electric supplier, that the aggregator is effectively a go-between and facilitator. The contract is between the supplier and the customer. Aggregators have to be licensed and establish a bond. Rules have been established by the Commission, including, for example, that customers have 10 days to change their minds after choosing an electric supplier, and a customer who ends a contract with a supplier reverts to the "standard offer service" until finding a new one.

Ms. Abell asked if it was true that in order to get any price advantage an aggregation coalition would have to include members who used power spread over different time periods—in effect, a mixture of business, industry, and residential. Mr. Elert said this was generally true. Any given group of consumers that wanted to self-aggregate would need to find out from the suppliers what kind of deal they would offer.

Mr. Turnbull asked what the Commission required for licensing. Mr. Moran had a copy of the application and will distribute it to Council. Mr. Elert remarked that getting licensed isn't difficult; putting together the aggregation group is difficult.

Mr. White asked how a customer knows what the range of possible rates is, in order to be able to comparison-shop. Mr. Elert said that the customer would work with the base price or "standard offer service" that is provided by a specific supplier. The standard offer service is the rate that a household receives if it is not part of an aggregated buying group.

In response to a query, Mr. Moran said he had spoken with Steve Bupp, president of Condominium Ventures, Inc. (CVI), which represents Greenbriar, Glen Oaks, and Hunting Ridge. CVI has significant usage in the evenings and weekends and is interested in finding local partners who use power in the daytime.

Mr. Turnbull also expressed concern about the relationship between the aggregator and the supplier. Mr. Elert said that it is in the legislation that the aggregators must act on behalf of the buyers. Mr. Turnbull said that it is nevertheless troubling that so many of the aggregators are subsidiaries of the electric suppliers.

Mr. Elert said that the Commission anticipates more activity and offers in the fall. In some other states, no aggregators could beat the discounts offered by the suppliers for the standard offer service, so it will remain to be seen whether anyone does better than the across-the-board 7% being offered by PEPCO.

The meeting was adjourned at 9:15 p.m.

Respectfully submitted,

Kathleen Gallagher

City Clerk